



4041/002 Incoming
United States Department of the Interior &



BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

<http://www.blm.gov/ut/st/en.html>

IN REPLY REFER TO:
3482 (UT-9223-rb)
SUFCO LMU
U-63214

NOV 10 2010

Certified Mail-Return Receipt Requested 7009 1410 0001 9070 9219

Mr. Kenneth E. May
General Manager
Canyon Fuel Company, LLC
SUFCO Mine
397 South 800 West
Salina, Utah 84654

NOV 15 2010

Re: Longwall Panel 2R2South A, lease U-63214

Dear Mr. May:

On December 29, 2009 Canyon Fuel Company, LLC (Canyon Fuel) submitted a minor modification request to the Resource Recovery and Protection Plan (R2P2). The 2R2South A panel was included in the modification proposal. At the March 12, 2010 meeting the BLM and Canyon Fuel verbally agreed to not include the 2R2South A panel in the modification based on insufficient core data. On March 22, 2010 the BLM, with the concurrence of the Fishlake National Forest, approved the modification with the exception of the 2R2South A panel.

The BLM recently received the coring results for this panel. After reviewing this information and other drill hole data, it is the opinion of the BLM that there are mineable coal reserves underlying the 2R2South A panel that must be addressed for mining by Canyon Fuel to fulfill their lease obligations on maximizing resource recovery.

Within thirty (30) days of your receipt of this letter please submit the following:

1. A Minor modification to the R2P2 for the mining of the 2R2South A panel. The BLM preferred mining method is the longwall method to maximize recovery. Please include an economic evaluation on both the longwall method (maximize recovery) and the first mining method (maximize resource protection).
2. Verification on when SUFCO's mine operations will reach the SW corner of panel B. The map submitted in December 2009 showed SUFCO's mine operations reaching the SW corner of panel B in September 2011. The BLM is requesting this information for scheduling purposes.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4. If an appeal is taken, your notice

of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

Sincerely,

/s/ Roger L. Bankert

Roger L. Bankert
Chief, Branch of Minerals

Cc:

PFO

D. Haddock
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1594 West North Temple Street, Suite 1210
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